

 <p style="text-align: center;"><b>STATE OF ALASKA</b> DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES</p> <p style="text-align: center;"><b>Policy and Procedure</b></p>	POLICY AND PROCEDURE NUMBER <b>10.02.017</b>	PAGE 1 of 2
	EFFECTIVE DATE March 1, 2014	
SUBJECT <b>Cancellation of a Solicitation and Rejection of all Bids or Proposals</b>	SUPERSEDES <b>10.02.017</b>	DATED October 10, 2011
CHAPTER <b>Procurement and Property</b>	SECTION <b>Contracting</b>	APPROVED BY <b>Signature on File</b>

## PURPOSE

This formalizes the policy and procedure (P&P) of the department on requesting approval to cancel a solicitation prior to opening and rejection of all bids or proposals after opening.

## POLICY

In accordance with AS 36.30.350 the Department of Transportation and Public Facilities (DOT&PF) commissioner must approve; the cancellation of a solicitation prior to opening (2 AAC 12.850(b)), and the rejection of all bids or proposals after opening (2 AAC 12.860). The commissioner has delegated this responsibility to the department's chief contracts officer.

## PROCEDURE

A request to cancel a solicitation or to reject all opened bids or proposals is made by memo to the chief contracts officer routed through the appropriate division/regional director. (Informal procurements, those under \$200,000 are cancelled/rejected at the discretion of the contracting officer.)

**Cancellation of a solicitation prior to opening:** In accordance with 2 AAC 12.850(b), a solicitation may be cancelled when it is in the state's best interest for the following reasons:

1. The state no longer requires the supplies, services, or construction.
2. The state no longer can reasonably expect to pay for the procurement.
3. The proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable.
4. The officer, after consultation with the Attorney General's office, determines that a solicitation is in violation of the law.

If approved, the bid or proposal must be cancelled and all interested parties must be notified.

**Rejection of all bids or proposals after opening:** In accordance with 2 AAC 12.860, after the opening of bids, but before award, all bids or proposals may be rejected for the following reasons:

1. The supplies, services, or construction being procured are no longer required.
2. Ambiguous or otherwise inadequate specifications were part of the solicitation.
3. The solicitation did not provide for consideration of all factors of significance to the state.
4. Prices exceed available money and it would not be appropriate to adjust quantities to accommodate available money.
5. All otherwise acceptable bids or proposals received are at unacceptable prices.
6. There is reason to believe that the bids or proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith.
7. The award is not in the best interests of the state.

If approved, the bid or proposal must be cancelled and all interested parties must be notified.

**When issued, the notice of cancellation must include the following statement:**

An interested party may protest the cancellation of an invitation for bid or proposal under 2 AAC 12.615 within 10 calendar days of the issuance of the notice of cancellation.

If fees were collected for the plans and specifications, the fees may be refunded upon the request of the bidder or proposer.

## **AUTHORITY**

AS 36.30.040  
AS 36.30.350

## **IMPLEMENTATION RESPONSIBILITY**

Chief contracts officer, employees with procurement authority, and employees who hold construction contracting warrants

## **DISTRIBUTION**

All department employees via the DOT&PF website